



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER SERVICES

August 19, 2008

In reply refer to: PT-5

To customers, constituents, tribes and other stakeholders:

The Bonneville Power Administration has entered into an agreement with San Francisco-based Pacific Gas and Electric Company (PG&E) to exchange wind energy for a period of 10 years from a Northwest wind project. BPA is seeking comments on this agreement to ensure it has considered all the issues surrounding the agreement.

BPA believes this agreement is in the best interest of BPA rate payers because it will increase the likelihood the Northwest will have access to reasonably priced renewable power in five years.

Under this agreement, BPA would use excess light load hour transmission capacity and receive a fee for the service and a no-fee option to purchase renewable power at current rates in the future. PG&E would receive a renewable resource during light load hours provided at the California-Oregon border.

How to comment

BPA is seeking your comments on this agreement through Aug. 29, 2008. You may submit comments online at www.bpa.gov/comment; via mail to Bonneville Power Administration, Public Affairs Office - DKE-7, P.O. Box 14428, Portland, OR, 97293-4428; or faxed to (503) 230-3285. You may also call us toll free at (800) 622-4519. Please reference the wind exchange agreement with your comments.

If you have any questions, please contact your Power Account Executive, Constituent Account Executive or Tribal Account Executive. You also can call us toll free at (800) 622-4519.

Sincerely,

/s/ Allen Burns, 8/19/2008

Allen Burns
Vice President Bulk Marketing